



October 30, 2007 - Press Release: Interim Announcement – Second half of the financial year

SIMONA Group records substantial growth in first three quarters of 2007

The SIMONA Group succeeded in emulating its solid performance of the first two quarters of the financial year in the period ended September 30, 2007. Despite signs of a slight weakening of the overall economy from mid-2007 onwards, sales revenue grew by EUR 37.9 million year on year to EUR 226.7 million. This corresponds to an increase of 20.1 per cent.

Within this context, the company achieved significant gains in its key sales markets, the chemical industry and mechanical engineering. SIMONA has extended its product portfolio considerably within this area and continues to benefit from the buoyant performance of businesses operating in these sectors as well as from the acquisition of the plastics division of Deutsche Holzveredelung Alfons und Ewald Schmeing oHG at the end of 2006. Owing to the recent takeover, SIMONA has expanded its range of fabricated products and further improved its strategic position in key target markets. In addition, demand for SIMONA products has been driven by more expansive export business within its customer base. In the US, on the other hand, economic downturn as a result of the global financial crisis prompted a significant decline in demand. As a result, both revenue and earnings of SIMONA's subsidiary in the US remained well below target in the third quarter.

The Group's financial position and cash flows were largely unchanged compared with the first half of 2007, with liquidity remaining solid and safeguarded at all times. As in the past, trends within the raw materials markets have had an impact on gross profit margins, as prices for crude oil reached new highs in October. SIMONA will achieve its target of EUR 15 million in consolidated earnings before taxes.

As at September 30, 2007, the SIMONA Group employed 1,231 people, compared with a workforce of 1,086 at the same period a year ago. The higher number of employees is mainly due to the takeover of the plastics business previously operated by Deutsche Holzveredelung.

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